

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:222

ANSWERED ON:24.11.2014

REVENUE SHARING OF CRUDE OIL AND NATURAL GAS

Boianapalli Shri Vinod Kumar;Roy Prof. Saugata

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether the Government has any plans to simplify rules for revenue sharing of crude oil and natural gas between the companies and the Government;

(b) If so, the details thereof;

(c) whether the Government intends to seek revenue sharing for future oil contracts in place of the existing Production Sharing Contract and has prepared a Model Revenue sharing Contract for this purpose; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b): Reforms are a continuous process. The Government is examining such matters continuously.

(c) & (d) A Revenue Sharing Model of Contract is being examined based on feedback / suggestions received from various stakeholders. The Model is based on an incremental production-based sliding scale combined with a fixed, price-sensitive scale. It provides for post-royalty revenue sharing and there is no cost recovery allowed.